

COMMITTEE REPORT

Madam President: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedure, to which was referred Engrossed House Bill 1029 because it conflicts with HEA 1134-2006 without properly recognizing the existence of HEA 1134-2006, has had Engrossed House Bill 1029 under consideration and begs leave to report back to the Senate with the recommendation that Engrossed House Bill 1029 be corrected as follows:

- 1 In the conference committee report for EHB1029, page 9, between
- 2 lines 49 and 50, begin a new paragraph and insert:
- 3 "SECTION 11. IC 20-46-7-8, AS ADDED BY HEA 1134-2006,
- 4 SECTION 169, IS AMENDED TO READ AS FOLLOWS
- 5 [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) A school corporation must
- 6 file a petition requesting approval from the department of local
- 7 government finance to:
- 8 (1) incur bond indebtedness;
- 9 (2) enter into a lease rental agreement; or
- 10 (3) repay from the debt service fund loans made for the purchase
- 11 of school buses under IC 20-27-4-5;
- 12 not later than twenty-four (24) months after the first date of publication
- 13 of notice of a preliminary determination under IC 6-1.1-20-3.1(2),
- 14 unless the school corporation demonstrates that a longer period is
- 15 reasonable in light of the school corporation's facts and circumstances.
- 16 (b) A school corporation must obtain approval from the department
- 17 of local government finance before the school corporation may:
- 18 (1) incur the indebtedness;
- 19 (2) enter into the lease agreement; or
- 20 (3) repay the school bus purchase loan.
- 21 (c) This restriction does not apply to property taxes that a school
- 22 corporation levies to pay or fund bond or lease rental indebtedness
- 23 created or incurred before July 1, 1974. **In addition, this restriction**
- 24 **does not apply to a lease agreement or a purchase agreement**

1 **entered into between a school corporation and the Indiana bond**
2 **bank for the lease or purchase of a school bus under**
3 **IC 5-1.5-4-1(a)(5), if the lease agreement or purchase agreement**
4 **conforms with the school corporation's ten (10) year school bus**
5 **replacement plan approved by the department of local government**
6 **finance under IC 21-2-11.5-3.1.**

7 (d) This section does not apply to school bus purchase loans made
8 by a school corporation that will be repaid solely from the general fund
9 of the school corporation."

10 In the conference committee report for EHB1029, renumber all
11 SECTIONS consecutively.

 (Reference is to EHB 1029 as reprinted March 1, 2006, and as
 amended by the conference committee report for EHB1029.)

Senator GARTON, Chairperson

Senator R YOUNG, R.M.M.

Senator KENLEY